State and Consumer Services Agency
DEPARTMENT OF CONSUMER AFFAIRS
BAR
Bureau of Automotive Repair

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Governor

REPORT ON WORKSHOPS

Held on October 9, 2008
and November 18, 2008
to Discuss Concepts for

New Performance Standards for Smog Check Stations

The attached document summarizes the presentations and discussions that occurred during the Bureau-sponsored workshops held on October 9, 2008 and November 18, 2008.

This workshop summary covers the following areas:

- Workshop Background
- Workshop Presentation
- Public Discussion
- Industry Recommendations
- Data Presented at Workshop
- BAR Planned Activities
- Next Steps

December 2008

Workshop Background

In June 2008, the Bureau of Automotive Repair (BAR) held three (3) informational public workshops. The purpose of these workshops was to receive public comment about the current Gold Shield performance standards, and discuss other appropriate criteria for identifying top-performing Smog Check stations. A summary of the June workshops is available on the BAR Web site (http://www.smogcheck.ca.gov/).

Following the June workshops, BAR held another workshop on October 9, 2008, to discuss specific concepts for revising the existing Gold Shield standards, and expand the concept of performance standards to Test-Only stations. BAR also introduced an additional concept for measuring performance using a rating system for all stations, and possibly technicians, based on Smog Check inspection history. Approximately 50 members of the public attended this workshop. The audience actively participated in the open discussion. Comments received during and after the workshop are included in this summary.

BAR held an additional workshop in Los Angeles on November 18, 2008. The audience participated in the open discussion. Comments received during and after the workshop are presented in this summary.

Workshop Presentation

BAR's presentation reviewed the current Gold Shield performance standards and introduced several new concepts for updating the standards. They are as follows:

1. Revisions to Existing Gold Shield Standards

The goal for changing the existing standards is to improve the identification of top-performing Smog Check stations, and not to achieve a specific number of Gold Shield stations.

The specific concepts for revising the existing Gold Shield performance standards include:

- Comparative Failure Rate
  - Revise the calculations to be more vehicle-specific based on new cutpoints to be adopted in regulation in late 2009.

- Successful Emission Repairs
  - Allow up to three (3) of the ten (10) required repairs to be the result of a vehicle failing the Low Pressure Fuel Evaporative Test (LPFET) or On-Board Diagnostic (OBD) Test.

- Repair Performance
  - Revise the "average passing emissions" calculation to be more vehicle-specific based on the proposed new cutpoints.

2. New Standards for Gold Shield and Test-Only Stations

The concepts for developing new performance standards for both Gold Shield and Test-Only stations include:

- New performance indicators would identify consistently performed tests in the following areas:
  - OBD tests
  - ASM tests, when required
  - ASM tests in the proper gear
  - Fuel cap tests
  - LPFET tests

- Tie the Smog Check license of a Test-Only station to the new performance standards, since no certification program similar to the Gold Shield Program currently exists in statute.

3. Station and Technician Achievement Rating

BAR also introduced a new concept for measuring the performance of Smog Check stations, and possibly technicians. The proposed new system would rate stations, or technicians, based on the Smog Check history of the vehicles they inspect.
The proposal would do the following:

- Measure the performance of each station and technician over time;

- Identify stations and technicians that engage in a wide range of behaviors;

- Evaluate station and technician performance by comparing subsequent pass and fail rates of vehicles over a large sample of vehicles;

- Establish a correlation between a vehicle's performance in the current cycle and the performance of the station or technician who last certified the vehicle; and

- Show in vehicles certified by high performing stations passing their next Smog Check at a higher rate.

Public Discussion

The workshop audiences actively participated in the open discussions. Below are comments and suggestions received during the workshops.

General

1. The "Fast Pass" feature of the ASM test can underreport the effectiveness of emission repairs.
2. BAR enforcement efforts should focus on non-Smog Check stations (Automotive Repair Dealers) performing emission repairs, and/or advertising smog inspections or OBD repairs.

3. Additional fuel tank adaptors are needed to fit a wider range of vehicles for the LPFET.
4. The Station and Technician Achievement Rating would be a good marketing tool for stations, as well as a motivator for higher performance.
5. Low performing technicians should be required to retake the smog test.

Test-Only

1. Some stations do not understand how the "comparative failure rate" is calculated.
2. BAR should reevaluate the method for identifying high emitting vehicles (i.e., "directed vehicles") requiring inspection at a Test-Only or Gold Shield station.
3. Prior to testing, some stations inform customers than an illuminated Malfunction Indicator Lamp (MIL) will cause a failure; the customer leaves and later returns for the test with the MIL off, creating a potential for erroneous test data.
4. Excessive idle time prior to the test causes false failures, with these same vehicles later passing a test performed at another station.
5. Test-Only stations want the ability to transition more easily to a Gold Shield station. Currently, a Test-Only station must become a test-and-repair station, and drop their ability to test "directed vehicles" in order to accrue the required repair data for Gold Shield qualification.
6. BAR should allow Test-Only stations to adjust timing and idle speed, and to perform non-emission related repairs.

Successful Emission Repairs

1. Partial repairs (incomplete repairs) will influence failure rates.
2. There are not enough tailpipe failures to meet the proposed new standard for Gold Shield stations, as it is difficult to achieve even seven tailpipe repairs. Statements by stations suggest that failures of the MIL and LPFET are 80 to 85 percent of all failures.
3. Emission repairs performed by unlicensed shops reduce the number of emission repairs that a licensed station can perform to meet this standard.
4. The performance standard must take into account stations that test mostly newer vehicles that do not fail.

Repair Performance

1. The suspension of the Bureau's Consumer Assistance Program (CAP) during August and September 2008 may impact a Gold Shield station's performance. (After the workshop, BAR's review of station data did not show a significant impact on station performance during the third quarter of 2008, when CAP services were suspended.)
2. Gold Shield standards are not set high enough; a station with a repair performance rating of only 26% can be a Gold Shield station.
3. Only repairs performed by the station can be entered into the Emission Inspection System (EIS). Allow for the entry of repairs that are needed; consumer rejection of recommended repairs would not affect a station's repair performance.

4. How consumers maintain their vehicles impacts a station's ability to make successful repairs, and impacts the likelihood of the vehicle passing its next scheduled Smog Check.
5. Gold Shield stations should be able to view their current performance ratings on the BAR Web site.

Industry Recommendations

1. Require a three-minute preconditioning after the first failed test; this would allow for a more accurate test.
2. Implement a "Consumer Satisfaction" survey for stations; require the survey form to be attached to the customer's Vehicle Inspection Report (VIR).
3. The concept for a Station and Technician Achievement Rating will require at least 18-24 months of station or technician data to implement. A prospective station should only need one quarter of data, as is currently required, to qualify for the Gold Shield program.
4. BAR should develop a program to inform the station and technician of their individual results under the proposed Station and Technician Achievement Rating system.
5. Use the geographic area where the station is located, as opposed to the program area (i.e., Enhanced or Basic), to determine the average failure rate and average emissions levels of passing vehicles.
6. Require failing vehicles to be inspected at the Referee to ensure proper testing, repairs, and post-repair inspections.
7. Lock out vehicles failing the test from having a certification test performed until repair documentation is provided; this will help identify any unlicensed activity.

Several industry representatives submitted written suggestions following the October workshop. They include the following:

1. Use a six-month time span for evaluating the ten required repairs for initial Gold Shield qualification (up to three repairs can be non-tailpipe). After qualification as Gold Shield, ten repairs per quarter should be the standard (up to three repairs can be non-tailpipe).

2. Proposed Test-Only Standards

   - Comparative Fail Rate – Require Test-Only stations to be within the top 25% of other Test-Only stations based on an equitable formula, taking into consideration the location of the shop and type of vehicles tested. Should a station not achieve this standard in a single quarter, they should be given a 60-day grace period in which to comply.

   - Quality Assurance Audits should require the following:
     - Stations must comply within 24 hours of any identified deficiency;
     - Major deficiencies require immediate action by the station and result in being locked out from the EIS for failure to respond timely;
     - Stations must have a 1% or less error rate on VIRs and work orders;
     - A progressive system of citations and fines, as follows:

        - $1,000 for a first offense; $2,500 and $5,000 for second and third offenses, respectively;
        - More than three citations within two years would result in revocation of the Test-Only station license;
    - Stations must have a low percentage of customer complaints;
    - Stations must install video surveillance systems;
    - Incorporate biometric technology into the EIS to authenticate technician identity;
    - Require bonding for all Test-Only stations for cost recovery associated with BAR investigations and enforcement actions.

Data Presented at Workshop

The following table was presented at the workshops to show the number of initial tests, by station type, of vehicles requiring a biennial Smog Check. It does not include inspections upon change of ownership or initial registration.

Station Type	Test & Repair		Gold Shield		Test-Only	
Vehicle Type	**Non-Directed**	**Directed**	**Non-Directed**	**Directed**	**Non-Directed**	**Directed**
April-June 2007	360,052	N/A	59,399	466	294,945	716,651
April-June 2008	359,012	N/A	69,132	46,973	357,540	679,252

The next table was presented at the workshop to show the number of Smog Check stations that existed immediately prior to and one year following the adoption of regulations that now allow Gold Shield stations to perform initial as well as post-repair inspections on "directed vehicles."

Date	Test & Repair	Gold Shield	Test-Only	Total Stations
August 2007	4838	584	1891	7313
August 2008	4434	649	1982	7065

BAR Activities In Progress

- BAR is in the process of making available on our Web site the most recent calendar quarter's actual "average passing emissions" of vehicles.
- BAR will resume publishing the vehicle failure rates for each station type in the *Auto Repair and Smog Check News*.
- BAR will publish an article reminding all stations of the requirement to inform consumers of the options for vehicles failing a Smog Check, including the repair assistance and vehicle retirement services under BAR's Consumer Assistance Program.
- BAR is looking into posting Gold Shield performance ratings on its Web site.

Next Steps

BAR will begin drafting regulations to establish Smog Check station performance standards based on feedback from all workshops. We plan to begin the formal rulemaking process with notification to all interested parties in early 2009.